

February 9, 2009

IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ALBERTA, SASKATCHEWAN, MANITOBA,  
NEW BRUNSWICK, NOVA SCOTIA,  
NEWFOUNDLAND AND LABRADOR,  
ONTARIO, AND PRINCE EDWARD ISLAND  
(the Jurisdictions)

AND

IN THE MATTER OF  
THE PROCESS FOR EXEMPTIVE RELIEF  
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF  
CALPINE CANADA ENERGY FINANCE ULC  
(the Filer)

DECISION

**Background**

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for a decision that the Filer be deemed to have ceased to be a reporting issuer under the Legislation (the **Relief Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

- (a) the Alberta Securities Commission is the principal regulator for this application, and
- (b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

**Interpretation**

Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

**Representations**

This decision is based on the following facts represented by the Filer:

1. The Filer is an unlimited liability company governed by the laws of the Province of Nova Scotia, with its head office in Alberta. The Alberta Securities Commission was selected as principal regulator because the Filer's head office is located in Alberta.
2. The Filer is a wholly-owned indirect subsidiary of Calpine Corporation (**Calpine**).
3. The Filer's publicly held Senior Notes were paid in full in early February 2008, and the Filer does not have any securities listed on any stock exchange. The outstanding securities of the Filer are held by a subsidiary of Calpine.
4. The Filer is not in default if its obligations as a reporting issuer under the Legislation in the Jurisdictions except in respect of audit committee requirements under National Instrument 52-110 *Audit Committees* (**NI 52-110**) commencing in 2005 and requirements to prepare disclosure related to corporate governance under National Instrument 58-101 *Disclosure of Corporate Governance Practices* (**NI 58-101**) commencing in 2005. The defaults arose in 2005 as a result of the Filer no longer being able to rely on the exemptions in section 1.2(e)(i) and (ii) of NI 52-110 and 1.3(d)(i) and (ii) of NI 58-101 which were previously available to the Filer as a subsidiary of Calpine. The exemptions ceased to be available to the Filer because Calpine ceased to have its securities listed or quoted on a U.S. marketplace.
5. The Filer filed a notice in British Columbia under BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* stating that it will cease to be a reporting issuer in British Columbia. On July 2, 2008, the British Columbia Securities Commission sent a notice that it had received and accepted such notice and confirmed that non-reporting status was effective on June 22, 2008.
6. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.
7. Upon the granting of the requested relief herein, the Filer will not be a reporting issuer or its equivalent in any of the jurisdictions in Canada.
8. The Filer has no intention to seek public financing by way of an offering of its securities.

## **Decision**

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Relief Sought is granted.

"Blaine Young"

Associate Director, Corporate Finance

Alberta Securities Commission